44

(3)

No. 09-365

Supreme Court, U.S.
FILED
NOV 5 - 2009
OFFICE OF THE CLERK

IN THE

Supreme Court of the United States

CORDIS CORPORATION,

Petitioner,

v.

BOSTON SCIENTIFIC CORP. and
BOSTON SCIENTIFIC SCIMED, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

REPLY BRIEF

GREGORY L. DISKANT
Counsel of Record
EUGENE M. GELERNTER
SEAN MARSHALL
PATTERSON BELKNAP WEBB
& TYLER LLP
1133 Avenue of the Americas
New York, NY 10036
(212) 336-2000

Attorneys for Petitioners

Of Counsel:

CONSTANTINE L. TRELA, JR.
SIDLEY AUSTIN LLP
One South Dearborn Street
Chicago, IL 60603
(312) 853-7000

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES ii

I. BSC Cannot Reconcile the Conflict in the Federal Circuit's Decisions 1

II. The Issue Presented Has Importance Well Beyond the Parties to the Case 4

III. BSC Does Not Dispute the Facts That Make This Case an Appropriate Vehicle for Resolving the Issue 5

IV. Instead of Addressing the Issues, BSC Offers Smokescreens 7

A. As the Trial Judge Recognized, the Record Refutes BSC's Insinuation of Copying 7

B. The Issue Was Preserved 8

C. BSC's Assertion That Cordis's Stents Have "Rounded Corners" 10

CONCLUSION 11

TABLE OF AUTHORITIES

Page

CASES

Chainey v. Street,
523 F.3d 200 (3d Cir. 2008) 9

Cox v. City of Freeman,
321 F.2d 887 (8th Cir. 1963) 9

DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.,
567 F.3d 1314 (Fed. Cir. 2009) 2

Festo Corp. v. Shoteksu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722
(2002) 3, 4, 5

Freedman Seating Co. v. American Seating Co., 420 F.3d 1350
(Fed. Cir. 2005) 3, 4, 9, 11

Fuller v. Yentzer,
94 U.S. 299 (1876) 3

Gill v. Wells,
89 U.S. 1 (1874) 3

Glaxo Wellcome, Inc. v. Impax Laboratories, Inc., 356 F.3d 1348
(Fed. Cir. 2004) 4

Gould v. Rees,
82 U.S. 187 (1872) 3

TABLE OF AUTHORITIES
(continued)

Page

Interactive Pictures Corp. v. Infinite Pictures, Inc., 274 F.3d 1371 (Fed. Cir. 2001) 2

Malta v. Schulmerich Carillons, Inc., 952 F.2d 1320 (Fed. Cir. 1991) 8

Marfia v. T.C. Ziraat Bankasi, 147 F.3d 83 (2d Cir. 1998) 9

Markman v. Westview Instruments, Inc., 517 U.S. 370 (1996) 5, 8

Overhead Door Corp. v. Chamberlain Group, Inc., 194 F.3d 1261 (Fed. Cir. 1999) 2

Sage Products, Inc. v. Devon Industries, Inc., 126 F.3d 1420 (Fed. Cir. 1997) ..... *passim*

Texas Instruments, Inc. v. Cypress Semiconductor Corp., 90 F.3d 1558 (Fed. Cir. 1996) 8

United Carbon Co. v. Binney & Smith Co., 317 U.S. 228 (1942) 5

IN THE SUPREME COURT OF THE UNITED STATES

No. 09-365

CORDIS CORPORATION,

Petitioner,

v.

BOSTON SCIENTIFIC CORPORATION AND BOSTON SCIENTIFIC SCIMED, INC.,

Respondents.

REPLY ON PETITION FOR WRIT OF CERTIORARI

Petitioner Cordis Corporation ("Cordis") respectfully submits this Reply in further support of its petition for a writ of certiorari.

I. BSC Cannot Reconcile the Conflict in the Federal Circuit's Decisions

As Cordis has demonstrated, decisions by the Federal Circuit are in direct conflict on an important issue: Is it proper to apply the doctrine of equivalents ("DOE") for an allegedly equivalent feature that was known in the art and known to the inventor at the time of patenting as a substitute for a feature described in the claim, where the inventor

could readily have drafted and applied for claims that literally cover this known alternative, but did not do so?

Federal Circuit decisions offer conflicting answers to this question.

Under some Federal Circuit decisions, the answer to this question is "yes." *E.g.*, *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1336 (Fed. Cir. 2009); *Interactive Pictures Corp. v. Infinite Pictures, Inc.*, 274 F.3d 1371, 1383 (Fed. Cir. 2001); *Overhead Door Corp. v. Chamberlain Group, Inc.*, 194 F.3d 1261, 1269 (Fed. Cir. 1999). Under these decisions, it is acceptable to assert the DOE for a feature that was known at the time of patenting as a substitute for an element described in the claim, even though the patentee drafted the claim more narrowly so that it does not literally cover the known alternative.

Under other Federal Circuit decisions, the answer to the same question is "no." For example, in *Sage Products, Inc. v. Devon Industries, Inc.*, 126 F.3d 1420 (Fed. Cir. 1997), the Federal Circuit stated that where certain structures were known at the time of patenting as interchangeable, "[a] skilled patent drafter would foresee the limiting potential" of drafting claims in a way that literally covers only one of the known alternatives. *Id.* at 1425. The Federal Circuit held that in such circumstances the DOE may not be asserted to cover the other known alternative because "as between the patentee who had a clear opportunity to negotiate broader claims but did not do so, and the public at large, it is the patentee who must bear the cost of its failure to seek

protection for this foreseeable alteration of its claimed structure." *Id.*

Similarly, in *Freedman Seating Co. v. American Seating Co.*, 420 F.3d 1350 (Fed. Cir. 2005), the Federal Circuit held that where a patentee was "aware" at the time of patenting that certain structures were interchangeable, but drafted the claims narrowly so as to literally cover only one of the known alternatives, then "[m]embers of the public [are] ... justified in relying on this specific language in assessing the bounds of the claim," and applying the DOE for the other known alternative "would unjustly undermine the reasonable expectations of the public." *Id.* at 1360-62.

BSC pretends that the conflict between these diverging lines of Federal Circuit decisions does not exist. But that conflict cannot be overlooked.

Moreover, this conflict in the Federal Circuit's cases reflects a tension in this Court's own decisions. In older decisions, this Court treated the DOE as applicable for features that were known at the time of patenting as substitutes for an element described in the patent claim, but as inapplicable for substitutes that were unforeseeable at the time the patent issued. *See, e.g.*, *Gould v. Rees*, 82 U.S. 187, 193 (1872), *Gill v. Wells*, 89 U.S. 1, 13 (1874), *Fuller v. Yentzer*, 94 U.S. 299, 300 (1876), and

Festo Corp. v. Shoteksu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722 (2002), takes a very different approach, akin to the one the Federal Circuit adopted in *Sage* and *Freedman Seating*. As this Court explained in *Festo*, "[t]he patentee, as the

author of the claim language, may be expected to draft claims encompassing readily known equivalents." *Id.* at 740; *see also id.* at 741 ("The patentee must show that at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent.").

As Cordis previously noted, *Festo* only addressed claim terms that were amended during prosecution. This Court has not yet had occasion to rule on whether *Festo*'s reasoning has more general applicability. However, Cordis respectfully submits that *Festo*'s logic has the same merit *both* for claim language that was amended during prosecution *and* for claim language that was not so amended. *Festo*'s recognition that "[t]he patentee, as the author of the claim language, may be expected to draft claims encompassing already known equivalents," 535 U.S. at 740, is as true for original claims as it is for claims that were amended during patent prosecution. A Federal Circuit panel took that view in *Glaxo Wellcome, Inc. v. Impax Laboratories, Inc.*, 356 F.3d 1348 (Fed. Cir. 2004), when it stated, with respect to the DOE, that "the critical inquiry is whether [the patentee] could have foreseen [the alleged equivalent] *at the time of filing or amendment.*" *Id.* at 1355 (emphasis added); *see also Sage*, 126 F.3d 1420, and *Freedman Seating*, 420 F.3d 1350.

II. The Issue Presented Has Importance Well Beyond the Parties to the Case

Resolving the conflict in Federal Circuit cases is a matter of great importance. As this Court

recognized in *Festo*, the DOE "renders the scope of patents less certain," 535 U.S. at 732, because "[i]t may be difficult to determine what is, or is not, an equivalent to a particular element of an invention." *Id.* This "zone of uncertainty" as to the scope of patent protection has a chilling effect on competitive activity and may "discourage invention ...." *United Carbon Co. v. Binney & Smith Co.*, 317 U.S. 228, 236 (1942). This uncertainty is only heightened where, as here, there is a direct conflict in the Federal Circuit's cases.

Reducing uncertainty on this issue would benefit the public and benefit patentees by promoting legitimate competition and avoiding unnecessary disputes about the scope of patent protection. *Festo*, 535 U.S. at 732.; *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 390 (1996).

III. BSC Does Not Dispute the Facts That Make This Case an Appropriate Vehicle for Resolving the Issue

BSC does not – and cannot – dispute *any* of the facts that make this an appropriate vehicle for resolving the question.

First, BSC does not dispute that when the claims of its patent were drafted, it was well known in the art that a stent's rings could *either* have corners *or* circular arcs and no corners.

Second, BSC does not dispute that the inventor of its patent knew this when the claims were drafted. Indeed, he cited examples of both

types of designs when he discussed the prior art in his patent specification.

Third, with both types of designs known in the art, BSC does not dispute that a skilled patent draftsman would have perceived the limiting potential of drafting the claims to require "corners."

Fourth, BSC does not dispute that the inventor could have drafted and applied for claims covering both types of designs had he chosen to do so.

Fifth, although both alternatives were known in the art and known to the inventor, BSC does not dispute that the inventor chose to limit claim 36 to stents with "corners."

Sixth, BSC cannot dispute that Cordis's stents lack the "corners" required by the claim. The jury's unchallenged verdict of no literal infringement establishes that Cordis's stents do not have "corners" under the unchallenged claim construction. Instead, they have circular arcs.

There is no dispute as to any of these facts. The Federal Circuit's decision upheld BSC's assertion of the DOE for a feature that was known in the art and known to the inventor at the time of patenting as a substitute for a feature described in the claims, but outside the literal scope of the claims as drafted.

Federal Circuit cases are in conflict on whether the DOE is available in these circumstances. The undisputed facts make this case

an appropriate vehicle for resolving this conflict in the Federal Circuit's cases.

IV. Instead of Addressing the Issues, BSC Offers Smokescreens

Instead of addressing the conflict in the Federal Circuit's cases, BSC offers baseless smokescreens.

A. As the Trial Judge Recognized, the Record Refutes BSC's Insinuation of Copying

Running through BSC's opposition is a baseless and unsupported insinuation that Cordis copied Dr. Jang's invention. The trial judge repeatedly "chastis[ed]" BSC for offering the same insinuation at trial in the absence of any evidence supporting it. Tr. 1705:3-5.

During the trial, BSC tried to depict Cordis as a copyist. The trial judge repeatedly rejected those efforts because – as the trial judge emphasized – there was "no evidence of copying," Tr. 1703:10-12, and "no allegation in the case having to do with copying." Tr. 1045:24-25. As the trial judge stated, there is "no proof here" of copying (Tr. 1713:20-1714:1) and "no proof that the individual who designed ... the accused stent had any knowledge of Dr. Jang." Tr. 1708:14-16.

Despite the trial judge's repeated admonitions, BSC's counsel ended his closing argument by insinuating that Cordis had copied Dr. Jang's

invention. Without waiting for Cordis to object, the trial judge *sua sponte* stated that BSC's insinuation "leaves the wrong impression" (Tr. 1703:10-12) because "there's no evidence of copying." *Id.* The trial judge admonished BSC's counsel for offering this baseless accusation and stated that "I've been chastising you for [this] since the beginning [of the case]." Tr. 1705:3-5

BSC now repeats the same baseless insinuations of copying in its submission to this Court. That tactic is just as improper now as it was at trial.

B. The Issue Was Preserved

BSC offers another smokescreen when it asserts that the issue was not preserved by Cordis in the trial court. BSC did not offer this assertion in the district court or on appeal. It is incorrect on the facts and on the law.

During the trial, Cordis moved for JMOL before the close of the evidence. Cordis's counsel identified the "one DOE issue in the case and that's corners of Claim 36 of the Jang patent." Tr. 1185:17-19. He asserted that there was "an utter failure of proof on infringement ...." Tr. 1185:24-1186:1. The trial then stated: "For purposes of the record, the JMOL is denied." Tr. 1187:16-17.

Cordis's JMOL motion during the trial adequately preserved the issue for post-trial review and for a later appeal. *Texas Instruments, Inc. v. Cypress Semiconductor Corp.*, 90 F.3d 1558, 1566, n.6 (Fed. Cir. 1996); *Malta v. Schulmerich Carillons,*

Inc., 952 F.2d 1320, (Fed. Cir. 1991). BSC did not argue otherwise when it opposed Cordis's renewed JMOL motion, and did not argue otherwise on appeal.

Moreover, BSC waived any objection it might have had to the specificity of Cordis's JMOL motion during the trial because BSC did not make any such objection at trial. *See Chainey v. Street*, 523 F.3d 200, 218 (3d Cir. 2008) (party's failure to object to the adequacy of a Rule 50(a) motion waived its objection on that basis in future proceedings); *Marfia v. T.C. Ziraat Bankasi*, 147 F.3d 83, 87 (2d Cir. 1998) ("by failing to object before the district court [plaintiff] waived his objection to the defendant's JMOL motion"); *Cox v. City of Freeman*, 321 F.2d 887, 891 (8th Cir. 1963) (same).

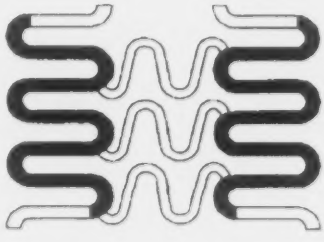
In its renewed motion for JMOL and again on appeal, Cordis relied on *Sage Products*, 126 F.3d at 1425, and *Freedman Seating*, 420 F.3d at 1360. It argued that "[w]ith both types of stents known in the art and known to the inventor, '[a] skilled patent drafter would foresee the limiting potential of the ['corners'] limitation' and could have drafted a claim without the "corners" limitation if he 'desired broad[er] patent protection.'" (quoting *Freedman Seating*, 420 F.3d at 1360, which in turn quotes *Sage Products*, 126 F.3d at 1425). Cordis further argued that "in assessing the bounds of the claim," competitors "were 'justified'" in relying on the fact that the inventor was aware of both alternatives but limited claim 36 to stents with "corners." *See* Pet. at 13-14.

On this record, there is no basis for BSC to suggest that Cordis failed to preserve this issue.

C. BSC's Assertion That Cordis's Stents Have "Rounded Corners"

BSC offers another smokescreen when it argues that Cordis's stents have "rounded corners" and that the "rounded corners" in Cordis's stents are insubstantially different from the "corners" required by claim 36. The verdict of no literal infringement defeats that assertion.

"Rounded corners" are a type of "corner." If the jury thought that Cordis's stents had "rounded corners" (or any other type of corner) then it would have returned a verdict of literal infringement. It did not do so. Instead, it returned a verdict of no literal infringement – a verdict that BSC has never challenged. In rendering its verdict of no literal infringement, the jury agreed with Cordis's expert that the rings of Cordis's stents have purely circular arcs, rather than the "corners" required by the claim.



* * *

As discussed above, it was known in the art – and known to the inventor at the time of patenting – that a stent's rings could have *either* "corners" *or* circular arcs. The inventor could have drafted claims covering both of these known alternatives, but chose

to draft claim 36 more narrowly, as limited to stents with "corners."

Federal Circuit decisions such as *Sage*, 126 F.3d at 1425, and *Freedman Seating*, 420 F.3d at 1360-62, hold that the DOE is inapplicable in these circumstances and that its application would "unjustly undermine the reasonable expectations of the public." *Id.* at 1362. Yet that is what the Federal Circuit did here. This Court should grant certiorari to resolve the conflict in the Federal Circuit's cases on whether application of the DOE is appropriate in such circumstances.

CONCLUSION

For the reasons set forth above and in the petition for a writ of certiorari, this Court should issue the writ to resolve the important issue presented by this petition.

Respectfully submitted,

Gregory L. Diskant
Counsel of Record
Eugene M. Gelernter
Sean Marshall
PATTERSON BELKNAP
WEBB & TYLER LLP
1133 Avenue of the
Americas
New York, NY 10036
(212) 336-2000

Of Counsel:

Constantine L. Trela, Jr.
SIDLEY AUSTIN LLP
One South St.
Chicago, IL 60603
(312) 853-7000